

104TH CONGRESS
2D SESSION

H. R. 4106

To amend the Internal Revenue Code of 1986 to provide that 0.5 cent of the general revenue portion of the highway motor fuel taxes shall be deposited into an Intercity Passenger Rail Trust Fund and to deposit the remainder of such portion into the Highway Trust Fund.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 1996

Mrs. JOHNSON of Connecticut (for herself, Mr. CASTLE, Mr. CLINGER, Mr. HOUGHTON, Mr. SERRANO, Mr. BACHUS, and Mr. LEWIS of Georgia) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to provide that 0.5 cent of the general revenue portion of the highway motor fuel taxes shall be deposited into an Intercity Passenger Rail Trust Fund and to deposit the remainder of such portion into the Highway Trust Fund.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Intercity Passenger
5 Rail Trust Fund Act of 1996”.

1 **SEC. 2. 0.5 CENT OF GENERAL REVENUE PORTION OF THE**
2 **HIGHWAY MOTOR FUEL TAXES DEPOSITED**
3 **INTO INTERCITY PASSENGER RAIL TRUST**
4 **FUND.**

5 (a) ESTABLISHMENT OF TRUST FUND.—Subchapter
6 A of chapter 98 of the Internal Revenue Code of 1986
7 (relating to trust fund code) is amended by adding at the
8 end the following new section:

9 **“SEC. 9512. INTERCITY PASSENGER RAIL TRUST FUND.**

10 “(a) CREATION OF TRUST FUND.—There is estab-
11 lished in the Treasury of the United States a trust fund
12 to be known as the ‘Intercity Passenger Rail Trust Fund’,
13 consisting of such amounts as may be appropriated or
14 credited to the Trust Fund as provided in this section or
15 section 9602(b).

16 “(b) TRANSFERS TO TRUST FUND.—There are here-
17 by appropriated to the Intercity Passenger Rail Trust
18 Fund amounts equivalent to 0.5 cent for each gallon with
19 respect to which tax was imposed under section 4041 or
20 4081. Only taxes imposed after December 31, 1996, and
21 before October 1, 2001, shall be taken into account under
22 the preceding sentence.

23 “(c) EXPENDITURES FROM TRUST FUND.—

24 “(1) IN GENERAL.—Except as provided in para-
25 graph (2), amounts in the Intercity Passenger Rail

1 Trust Fund shall be available, as provided by appro-
 2 priation Acts, to finance qualified expenses of—

3 “(A) the National Railroad Passenger Cor-
 4 poration, and

5 “(B) each eligible State, to the extent de-
 6 termined under paragraph (3).

7 “(2) DIRECT SPENDING AMOUNTS.—The follow-
 8 ing amounts in the Intercity Passenger Rail Trust
 9 Fund are hereby appropriated to finance qualified
 10 expenses:

| Fiscal year: | Amount Available: |
|---------------------|--------------------------|
| 1997 | \$540,000,000 |
| 1998 | 751,000,000 |
| 1999 | 766,000,000 |
| 2000 | 781,000,000 |
| 2001 | 797,000,000. |

11 “(3) MAXIMUM AMOUNT OF FUNDS TO ELIGI-
 12 BLE STATES.—Each eligible State shall receive
 13 under this subsection an amount equal to the lesser
 14 of—

15 “(A) the State’s qualified expenses for the
 16 fiscal year, or

17 “(B) the product of—

18 “(i) $\frac{1}{12}$ of 1 percent of the lesser of—
 19 “(I) the aggregate amounts ap-
 20 propriated and credited to the Inter-
 21 city Passenger Rail Trust Fund under
 22 subsection (a) for such fiscal year, or

1 “(II) the aggregate amounts ap-
2 propriated from the Intercity Pas-
3 senger Rail Trust Fund under this
4 subsection for such fiscal year, and

5 “(ii) the number of months such State
6 was an eligible State in the preceding fiscal
7 year.

8 If the amount determined under subparagraph (B)
9 exceeds the amount under subparagraph (A) for any
10 fiscal year, the amount under subparagraph (B) for
11 the following fiscal year shall be increased by the
12 amount of such excess.

13 “(d) DEFINITIONS.—For purposes of this section—
14 “(1) QUALIFIED EXPENSES.—The term ‘quali-
15 fied expenses’ means expenses incurred, with respect
16 to obligations made after December 31, 1996, and
17 before October 1, 2001, if such expense is—

18 “(A) in the case of—

19 “(i) the National Railroad Passenger
20 Corporation, for capital improvements in
21 intercity passenger rail service (or for am-
22 ortization of principal and interest on any
23 loan incurred such improvements), or

24 “(ii) an eligible State, for capital im-
25 provements in intercity rail service (or for

1 amortization of principal and interest on
2 any loan incurred such improvements), and
3 “(B) certified by the Secretary of Trans-
4 portation as meeting the requirements of sub-
5 paragraph (A).

6 “(2) ELIGIBLE STATE.—The term ‘eligible
7 State’ means any State which does not receive inter-
8 city passenger rail service from the National Rail-
9 road Passenger Corporation.

10 “(e) TERMINATION.—The Secretary shall determine
11 and retain, not later than October 1, 2001, the amount
12 in the Intercity Passenger Rail Trust Fund necessary to
13 pay any outstanding qualified expenses, and shall transfer
14 any amount not so retained to the general fund of the
15 Treasury.”

16 (b) CONFORMING AMENDMENT.—The table of sec-
17 tions for subchapter A of chapter 98 of such Code (relat-
18 ing to trust fund code) is amended by adding at the end
19 the following new item:

“Sec. 9512. Intercity Passenger Rail Trust Fund.”

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply with respect to taxes imposed after
22 December 31, 1996.

1 **SEC. 3. REMAINDER OF GENERAL REVENUE PORTION OF**
2 **HIGHWAY MOTOR FUEL EXCISE TAX REVE-**
3 **NUES TO BE DEPOSITED INTO HIGHWAY**
4 **TRUST FUND.**

5 (a) IN GENERAL.—Paragraph (4) of section 9503(b)
6 of the Internal Revenue Code of 1986 (relating to certain
7 additional taxes not transferred to Highway Trust Fund)
8 is amended to read as follows:

9 “(4) CERTAIN TAXES NOT TRANSFERRED TO
10 HIGHWAY TRUST FUND.—For purposes of para-
11 graphs (1) and (2), there shall not be taken into ac-
12 count—

13 “(A) the taxes imposed by section 4041(d),
14 “(B) the taxes imposed by section 4081 to
15 the extent attributable to the rate specified in
16 section 4081(a)(2)(B), and

17 “(C) the taxes imposed by sections 4041
18 and 4081 to the extent that amounts equivalent
19 to such taxes are appropriated to the Intercity
20 Passenger Rail Trust Fund by section
21 9512(b).”

22 (b) CONFORMING AMENDMENTS.—

23 (1) Subparagraph (B) of section 40(e)(1) of
24 such Code is amended by striking “during which the
25 Highway Trust Fund financing rate under section
26 4081(a)(2) is not in effect” and inserting “during

1 which the rates of tax specified in section
2 4081(a)(2)(A) are not in effect".

3 (2) The last sentence of subparagraph (A) of
4 section 9503(c)(2) of such Code is amended by strik-
5 ing "by taking into account only the Highway Trust
6 Fund financing rate applicable to any fuel" and in-
7 serting "by taking into account only the portion of
8 the taxes which are deposited into the Highway
9 Trust Fund".

10 (3) Subsection (f) of section 9503 of such Code
11 is hereby repealed.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxes imposed after December
14 31, 1996.

